

# **State of Alaska FY2003 Governor's Operating Budget**

## **Department of Revenue Alcohol Beverage Control Board BRU/Component Budget Summary**

## **BRU/Component: Alcohol Beverage Control Board**

**(There is only one component in this BRU. To reduce duplicate information, we did not print a separate BRU section.)**

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### **Component Mission**

The mission of the Alcoholic Beverage Control Board is to ensure compliance with the state's liquor laws.

### **Component Services Provided**

ENFORCE ALCOHOLIC BEVERAGE LAWS.

License those engaged in the legal manufacture and sale of alcoholic beverages.

- Conduct investigations and criminal background reviews of liquor licensees.
- Accredit statutorily required alcohol server training.
- Provide information on alcoholic beverage laws and the liquor licensing process to local governments, police departments, Alaska State Troopers, community councils, hospitality industry trade groups and the public.

### **Component Goals and Strategies**

#### **1. REDUCE UNDERAGE ACCESS TO ALCOHOLIC BEVERAGES**

- Partner with local police departments to share information and perform inspections so underage consumption can be stopped and prosecuted.
- Disseminate information to local governments and community councils regarding ways to communicate concerns and activities regarding underage alcohol consumption.
- Support sting operations in response to complaints where underage patrons are alleged to be buying alcohol.
- Oversee training of alcohol servers so underage patrons are denied access to alcohol.
- Partner with the Department of Public Safety to publicize consequences of underage purchase, use and possession of alcohol.
- Enforce laws through spot inspections of bars and cite bar owners and underage patrons for violations.
- Perform routine inspections to assure servers are trained and liquor licenses are current.
- Promote and increase safety when licensing premises by encouraging and considering citizen and local government comments regarding location, background and character of owners, and history of alcohol consumption in vicinity of proposed premises.
- Help dry communities develop strategies to curb bootlegging.
- Help damp communities develop strategies to prevent and control alcohol abuse.
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#### **2. REDUCE ALCOHOL RELATED ACCIDENTS AND DEATHS**

- Partner with state troopers and local police departments to curb alcohol shipping to dry communities.
- Oversee training of bartenders to assure that drunken patrons are not served.
- Attend community council and other public meetings to publicize alcohol beverage laws and strategies to reduce alcohol abuse.
- Help state troopers and police departments respond to complaints of liquor licensed establishments serving drunken patrons.
- Cite licensed establishments to foster increased compliance with Alaska's liquor laws.
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### **Key Component Issues for FY2002 – 2003**

- Investigator staffing remains at levels below what was available prior to the construction of the Trans-Alaska Pipeline.
- Inadequate staffing increases the chances of underage drinking and alcohol related accidents and deaths.

- Funding for required formal hearings to address serious violations is inadequate. This places pressure on the ABC Board to settle actions against licensees to avoid the cost of the formal hearing. This pressure to settle may not always be in the public interest.

### Major Component Accomplishments in 2001

1. Resolved 100% of civil accusations by imposing ABC Board sanctions.
2. Conducted inspections in remote area of Alaska and conducted 199 premise inspections.
3. Processed license applications within the 90-day statutory window 100% of the time.
4. Completed compilation of database of liquor licenses and ABC licensing and permit forms, and made it available to the public via the ABC web page.
5. Successfully administered the Underage Access to Alcohol grant program.
6. For one full year beginning July 1, 2000 through June 30, 2001, the Alcoholic Beverage Control Board issued Notices of Violation that produced the following compliance rates for beverage dispensary, restaurant, club and package store licensees (total of 1,395 licenses of these types) of the following types of violations:

Serving underage (minors)	45 violations
Serving drunken persons	2 violations
Lack of server training	16 violations

### Statutory and Regulatory Authority

AS 04  
15 AAC 104

### Key Performance Measures for FY2003

#### Measure:

The cost of providing compliance services compared to the number of licenses per year.  
Sec 129 (b) (1) Ch 90 SLA 2001(HB 250)

#### Alaska's Target & Progress:

- FY2000 - Cost of compliance services was \$290,500 for 1,825 liquor licenses (compliance costs of \$159 per license).

#### Measure:

The cost of certifying or providing training services compared to the number of servers trained per year.  
Sec 129 (b) (2) Ch 90 SLA 2001(HB 250)

#### Alaska's Target & Progress:

- FY 2000-Cost of certifying or providing training services was \$700 for 6,569 servers trained (\$0.11 cents per server trained).

#### Measure:

The percentage of noncompliant licenses compared to the number of licenses held per year.  
Sec 129 (b) (3) Ch 90 SLA 2001(HB 250)

#### Alaska's Target & Progress:

- FY2000-5.5% noncompliant licenses of 1,825 licenses.

## Alcohol Beverage Control Board

## Component Financial Summary

All dollars in thousands

	FY2001 Actuals	FY2002 Authorized	FY2003 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	585.3	577.6	650.8
72000 Travel	21.4	25.1	53.1
73000 Contractual	149.6	87.9	129.8
74000 Supplies	4.0	4.1	5.1
75000 Equipment	3.5	1.3	6.3
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>763.8</b>	<b>696.0</b>	<b>845.1</b>
<b>Funding Sources:</b>			
1005 General Fund/Program Receipts	677.8	696.0	845.1
1007 Inter-Agency Receipts	72.1	0.0	0.0
1053 Investment Loss Trust Fund	13.9	0.0	0.0
<b>Funding Totals</b>	<b>763.8</b>	<b>696.0</b>	<b>845.1</b>

## Estimated Revenue Collections

Description	Master Revenue Account	FY2001 Actuals	FY2002 Authorized	FY2002 Cash Estimate	FY2003 Governor	FY2004 Forecast
<b>Unrestricted Revenues</b>						
Unrestricted Fund	68515	1,112.5	1,750.0	1,750.0	1,600.9	1,600.9
<b>Unrestricted Total</b>		<b>1,112.5</b>	<b>1,750.0</b>	<b>1,750.0</b>	<b>1,600.9</b>	<b>1,600.9</b>
<b>Restricted Revenues</b>						
Interagency Receipts	51015	72.1	0.0	0.0	0.0	0.0
General Fund Program Receipts	51060	677.8	696.0	696.0	845.1	845.1
<b>Restricted Total</b>		<b>749.9</b>	<b>696.0</b>	<b>696.0</b>	<b>845.1</b>	<b>845.1</b>
<b>Total Estimated Revenues</b>		<b>1,862.4</b>	<b>2,446.0</b>	<b>2,446.0</b>	<b>2,446.0</b>	<b>2,446.0</b>

**Alcohol Beverage Control Board****Proposed Changes in Levels of Service for FY2003**

No anticipated service changes

**Summary of Component Budget Changes****From FY2002 Authorized to FY2003 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2002 Authorized</b>	<b>696.0</b>	<b>0.0</b>	<b>0.0</b>	<b>696.0</b>
<b>Adjustments which will continue current level of service:</b>				
-Year 3 Labor Costs - Net Change from FY2002	15.2	0.0	0.0	15.2
<b>Proposed budget increases:</b>				
-Alcohol Initiative: Add new Investigator for enforcement of Alaska's liquor laws	96.0	0.0	0.0	96.0
-Alcohol Initiative: Increase needed to investigate complaints and assist local law enforcement	35.0	0.0	0.0	35.0
-FY2003 State Facilities Rent increase	2.9	0.0	0.0	2.9
<b>FY2003 Governor</b>	<b>845.1</b>	<b>0.0</b>	<b>0.0</b>	<b>845.1</b>

## Alcohol Beverage Control Board

## Personal Services Information

Authorized Positions		Personal Services Costs		
	<u>FY2002</u>	<u>FY2003</u>		
	<u>Authorized</u>	<u>Governor</u>		
Full-time	9	10	Annual Salaries	495,493
Part-time	0	0	COLA	11,852
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	164,219
			Less 3.09% Vacancy Factor	(20,764)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>9</b>	<b>10</b>	<b>Total Personal Services</b>	<b>650,800</b>

## Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	1	0	0	0	1
Administrative Clerk III	2	0	0	0	2
Division Director	1	0	0	0	1
Investigator II	1	0	0	0	1
Investigator III	1	1	1	0	3
Investigator IV	1	0	0	0	1
Records & Licensing Spvr	1	0	0	0	1
<b>Totals</b>	<b>8</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>10</b>